



Shallow Draft Dredging

March 8, 2016

Department of Environmental Quality



Why Do We Need Dredging?

- NC coastline has a wide variety of inlets that are critical to coastal commerce – think of them as coastal highways
 - Commercial traffic at NC Ports
 - Commercial fishermen
 - Charter fisherman
 - Recreation & tourism
- These inlets constantly shoal & fill in with sand
- Only through routine dredging and maintenance can these inlets remain open to support NC's economy

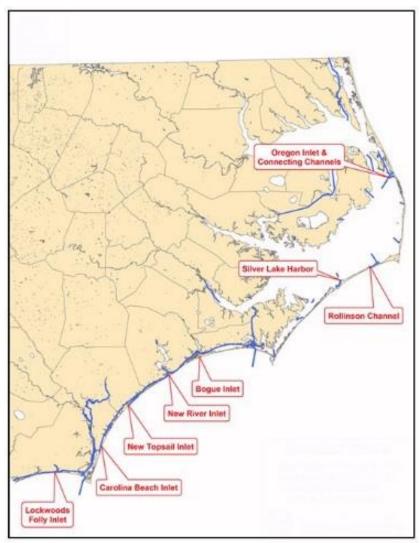


Two Types of Federally Authorized Inlet Projects in NC

- Shallow Draft Inlets
 - Authorized depths of 15 feet or less
 - Many shallow draft inlets in NC
 - Historically have been the biggest problem due to their tendency to shoal rapidly
- Deep Draft Inlets
 - Authorized depths greater than 15 feet
 - Two in NC: Wilmington Harbor & Morehead City
 - Historically have not been as big a problem in NC



Federally Authorized Shallow Draft Inlet Projects in NC



Lockwoods Folly	8-ft+2-ft
Carolina Beach Inlet	8-ft+2-ft
New Topsail Inlet	8-ft+2-ft
New River Inlet	6-ft+2-ft
Bogue Inlet	8-ft+2-ft
Silver Lake (Ocracoke)	12-ft+2-ft
Rollinson (Hatteras)	10-ft+2-ft
Oregon Inlet	14-ft+3-ft
Manteo Interior Channels	12-ft+2-ft



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Other Dredging Requirements in NC

- Shallow Draft Channels (not part of Federally authorized projects)
- Ferry Channels Maintained by NC DOT



Funding for Dredging

Background

- If inlets are "federally authorized" feds maintain if funding is available.
- NC used to receive substantial federal funding to maintain shallow draft and deep draft inlets
- Federal funding supplemented occasionally for both deep draft & shallow draft channels w/ State funds
- Federal funding has declined in recent years



Federal Funding for Dredging

FY 2012 - 2017

Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017*
Wilmington Harbor	\$20.1M	\$16.5M	\$18.5M	\$14.0M	\$14.9M	\$13.4M
Morehead City Harbor	\$9.0M	\$10.1M	\$6.1M	\$8.9M	\$13.7M	\$5.9M
Shallow Draft Inlets	\$22.3M	\$19.8M	\$4.5M	\$6.4M	\$14.8M	\$5.9M

^{*} FY17 President's Budget Proposal



Alternatives to Federal Funding for Dredging

- DEQ has entered into Memorandums of Agreement (MOA) with U.S. Army Corps of Engineers
- Provide State funding to Corps to conduct dredging
- Corps already has equipment, permits for dredging and a experienced trained staff for project management



Long Term Memorandum of Agreement (Shallow Draft)

- Local governments have provided \$3.7 million since November 2013
- State match totals \$4.3 million since November 2013
- Maintenance work completed at:
 - Shallotte River
 - Bulkhead Channel / Taylor's Creek
 - Carolina Beach Inlet
 - Bogue Inlet
 - Topsail Inlet
 - Oregon Inlet
 - New River Inlet
 - Lockwood Folly Inlet



Shallow Draft Navigation Channel and Lake Dredging Fund

- Fund established by SL 2013-360
- Funds started accumulating as of October 1, 2013
- Revenue Streams
 - 50% of each 1 year and 3 year boat certificate of number fee
 - \$10 of each new or transfer of boat title fee
 - 1% of the fuel excise tax on motor fuel



Shallow Draft Navigation Channel and Lake Dredging Fund

- Revenues since October 2013: \$26.6 million (as of Feb. 15, 2016)
 - 9 quarters worth of fees from NCWRC
 - 8 quarters worth of fuel excise tax plus a one time catch up payment
 - Local funds (matching funds for Corps maintenance work)
- Expenditures November 2013: **\$11.3 million**
- Outstanding grant awards: \$8.4 million
- Funds earmarked by SL 2015-241: \$2.9 million
- Funds earmarked for Aquatic Weed Control Program: \$500,000
- Funds available for award: \$3.5 million



Outstanding Issues

- Dredging of Oregon Inlet
 - 340 days of dredging @ OI per year for \$7.2M
 - LTMOA being amended



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